

Enemies Within
War Is for Plutocrats, Says Nearing
Pamphlet Declares Liberty Loan Was Floated to Help Profiteers
Arrest on Charge Of Treason Urged
Action of U. S. Attorney General Denounced by Henry A. Wise Wood

The discovery was made yesterday that a pamphlet by Scott Nearing, attacking the Liberty Loan, questioning President Wilson's sincerity and charging that this country entered the war to make huge profits, is being circulated in New York without interference by the Department of Justice.

The pamphlet was characterized by Henry A. Wise Wood, who discovered it, as the most seditious pro-German propaganda that the Kaiser's aids have had the audacity to attempt in this country.

50,000 Copies Circulated
Mr. Wood, who is chairman of the Conference Committee on National Preparedness, has evidence that 50,000 copies of this pamphlet have been circulated, mostly in New York, but some as far west as the Colorado mining districts. Mr. Wood was put on the trail of the pamphlet by a clipping from a Colorado country newspaper, which exposed its distribution out of Denver by automobile.

Nearing is one of the leaders of the People's Council of America. He has been apparently "laying off work" for the last few weeks. His last escapade with Federal authorities was when he had State Senator McCarthy denounced him at a People's Council meeting.

Mr. Wood found that all the time Nearing was apparently "being good" he was actually working for the Germans, under the noses of the Federal authorities.

Mr. Wood said that the most astonishing part of his discovery was the fact that the work of circulating this pamphlet has been going on here in New York for fully two months. The broadcast circulation of the pamphlet is another proof that the Department of Justice needs to use more drastic methods with the Germans in this country, asserted Mr. Wood. He said he would demand that General Gregory put Nearing in jail for treason and go after German agents in general more rigorously, Nearing resign from office.

A salesman in the book shop of the School of Social Science last night admitted that 50,000 copies had been distributed.

Excerpts From Pamphlet
There are paragraphs from Nearing's pamphlet:

"The large manufacturing plants, which had been erected for the purpose of supplying munitions to the United States, are now being used for the production of munitions for the German army. The banking interests, led by the Morgan firm, had backed the Liberty Loan, and, therefore, meant disaster to American business. These vast profits from war business would cease if the submarine blockade succeeded.

"The business interests had played a great stake. They had played against the welfare of the American democracy. The prize they sought was a billion dollars a year in profits, trapped in the folds of the flag and other roundabout declarations of patriotism, on April 6, 1917, business interests won a victory of terrible import to the American democracy.

"Turning their backs upon principle, showing morals and ideals to the winds, they tumbled over one another in a wild scramble to be the first to join the chorus of plutocratic patriots.

"The President hurried to the rescue with his propitious phrase 'armed neutrality.' The President, without any authority from Congress, armed the merchant ships and gave Germany his papers. The business interests went wild with joy."

Attacks Liberty Loan
Mr. Nearing devotes a whole chapter to the Liberty Loan. This is some of it: "Some day, when all the facts are collected, the story of the sale of the Liberty Loan will be told and it will be as hateful, as barbarous and as brutal as any event since the war began. The Spanish-American war was a signal for plutocracy and an equally signal defeat for democracy. It did more to bulwark the position of the plutocratic despots of the United States than it will ever do for liberty in Europe."

"Nearing further writes: 'Why did the American plutocracy desire to crush Germany? Was it to destroy despotism there? The idea is preposterous. The despotism in any country is more complete than that of the Kaiser. The American plutocracy has fattened on despotism for generations.

"The American plutocracy was no more interested in establishing democracy in Germany than they were in establishing democracy in the United States. The President stated that it was quite another form, but, no matter what he may say, he cannot escape the fact that the plutocracy of the United States was behind him in a day.

A hundred millions of people in the balance counted as nothing against the menace of commercial despots.

"How could the plutocracy—the discredited, the plied plutocracy—get public opinion? There was only one way: it must line up with some cause that would command public confidence.

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Adams Losing In Race for Chairmanship
Hays's Strength Increases as Republican Committeemen Gather in St. Louis

[Staff Correspondence]
ST. LOUIS, Feb. 10.—In spite of rose colored hopes by the advocates of "harmony" there are pretty sure indications of a good sized scrap and, incidental heart burnings over the choice of a new Republican National Committee chairman to succeed William R. Wilcox, of New York. A successor also will be chosen on Tuesday by Treasurer Cornelius N. Bliss, of New York.

The friends of John T. Adams, of Dubuque, Iowa, vice-chairman of the committee and national committeeman from that state, assert that he has about twenty-two votes pledged. Mr. Adams is the candidate of the "stand-patters," or so-called reactionaries.

The members of the committee who believe in heartily welcoming back the Progressives and recognizing them in the distribution of emoluments are likely to back Will H. Hays, of Indiana, chairman of the Indiana state committee.

Chairman Wilcox, Senator Calder, with Herbert Parsons's proxy; George W. Perkins, General T. Coleman du Pont, Frank H. Hitchcock, Governor Livingston Beekman of Rhode Island, Fred Sterling, Illinois state chairman, and Harold Ickes, of Chicago, all reached St. Louis to-night.

Chairman Wilcox found James B. Reynolds, secretary of the committee, awaiting him. They soon had a conference, after which Mr. Wilcox said: "We shall not get down to business until to-morrow; all I can say to-night is that I am confident that patriotism and common sense will dominate the minds of the committeemen when they consider the reorganization of the committee on Tuesday.

The support of Adams gives indications of falling to pieces. He seems to have made the mistake of supposing that cordially worded letters sent to him in answer to his solicitations are pledges of support. Mayor William Hale Thompson, of Chicago, and Alfred T. Rogers, of Wisconsin, have come out for Adams, but they are so pro-German in their natural leanings that their support hurts rather than aids.

Adams seems to have rounded up nearly all the members of the committee from the Southern states. The Adams men were surprised to learn of the arrival of Earl S. Kinsley, committeeman from Vermont, to learn that Mr. Kinsley is not for Adams, but less Adams is able to show at the conference of the executive committee to-morrow forenoon that he is practically the unanimous choice. Mr. Kinsley had a conference to-day with Governor Goodrich of Indiana and Governor Beekman of Rhode Island, as a result of which it is reasonably certain that he will vote for Hays for chairman.

The Hays men are steadily making progress. Joseph B. Keating, the big Chicago industrialist, is already on the ground working for Hays and he will be joined to-morrow by Governor Goodrich, Fred A. Pinis, former Senator James A. Hemenway and others. Hays himself will not be at the meeting. Governor Goodrich advised against it.

Tuscania Lifeboat Hit U-Boat

LONDON, Feb. 10.—The Tuscania's second officer had a remarkable experience, according to reports from Glasgow. He was in a boat with forty others. He said: "All at once we bumped into something hard, and when I looked around there was a submarine lying awash to look at his dirty work. What could we do? We simply carried on and got picked up. The tin fish submerged immediately after."

"The Sunday Times" to-day says it is finally established that the Tuscania sank while an attempt was being made to tow her toward the Irish coast. The fact that no submarine attack was made either on her or on the towing boats is regarded as confirming the belief that the submarine was destroyed by the conveying warships.

Lenine Guards Murder Finns By Wholesale
Swedish Refugees Tell Harrowing Stories of Reign of Terror

[By The Associated Press]
STOCKHOLM, Feb. 10.—Scandinavian refugees brought to Stockholm by the first Swedish relief expedition tell harrowing stories of wholesale murder by the Red Guards in Helsinki and Tammerfors. In the latter city, according to reports some of them bring, seventy youths were stood against a wall and mowed down with machine gun fire while they wept and pleaded for mercy. Their bodies were then stripped and mutilated.

Red Guards are reported hunting down students remorselessly, and the total murders in Helsinki, it is estimated, will reach into the hundreds.

Socialist Leaders Helpless
The situation has got entirely out of the hands of Socialist leaders of the type of Senator Manner and former Premier Tokoi, the accounts indicate. Persons familiar with Finland declare they have no doubt the majority of the country's Socialists are fighting on the government's side. They point out that the district where the White Guards' strength was chiefly recruited is normally a Socialist stronghold. The revolt, they contend, could be quickly suppressed if it were not for the Russian soldiers and sailors who are fighting on the side of the Reds on orders from the Smolny Institute, in Petrograd.

That Lenine, Trotsky and their associates in Russia regard the Finnish struggle as a first step in spreading the Bolshevik revolution westward is indicated by an interview with Lenine published in the local Bolshevik organ, the "Politiken." In this Lenine declared: "We shall soon dispose of the small states." Upon the interview the "Politiken" comments: "What is going on in Finland now is only a rehearsal for the European drama on which the curtain is slowly going up."

Government Asked for Arms
Selma Lagerlof, a writer, and other prominent Swedish women have joined in a petition to the government to permit the shipment of arms for the forces of General Mannerheim, the White Guard leader.

A Swedish relief boat will leave to-morrow for Mantyluoto, taking provisions and money furnished by Minister Mohlner and of Ensign Krylenko, the Bolshevik commander in chief, rests entirely on German reports. No confirmation is forthcoming from any Russian or independent source.

Clearly German policy is being devoted to using peace with Ukraine as a lever to bring pressure to bear on Trotsky.

More Coal Reaches City
For the first time since the coming of the present mild weather the city began to feel the effect of a freer delivery of coal to-day. Slightly over 25,000 tons of fuel were landed in Manhattan during the day, and it is considered likely that 35,000 tons may be received to-day, which is a larger quantity than has been delivered to the city on any one day since the present coal stringency set in.

Reorganization of the city's delivery systems, the opening of all fuel and basements for the receiving of coal are expected to result in this maximum of actual coal here by the end of the workless day.

The national fuel administration issued another statistical statement to-day, in which it is explained that this nation has the largest per capita annual consumption of coal in the world. The coal consumption here per adult is 5.62 tons, according to the statement, as against 3.82 for the United Kingdom and 3.35 for Belgium. Although the United States has been producing twice as much coal as the next largest producer—the United Kingdom—these figures are accepted as an indication of the opportunity for fuel saving in this country.

It is pointed out that both England and Germany had exported coal to the West Indies and South America previous to the war, but that the United States now was called upon to supply that demand. That was just one of the reasons advanced in explanation of the present shortage.

WASHINGTON, Feb. 10.—The East will observe to-morrow what fuel administration officials to-night predicted would be its last heatless Monday. Already the closing order has been suspended in so far as supplies to the Southern states, and officials believe the good weather of the last few days with its consequent improvement in railroad traffic conditions will make enforcement unnecessary anywhere after this week.

Time Extended Again for Filing Income Returns
WASHINGTON, Feb. 10.—Extension of the time for filing income and excess profits returns from March 1 to April 1 was announced to-day by Internal Revenue Commissioner Roper. This ruling applies also to reports on payments of more than \$800 during the year to be made by employers and business enterprises, and covers incomes both above and below \$3,000 and corporation incomes.

Delay in the preparation of blank forms and regulations was the principal cause for the postponement.

Forms have not yet been issued for excess profits returns of three classes—individual, partnership and corporation; for income returns by trustees or fiduciaries and for partnership income returns. These are now promised for next week. All other forms have been distributed, including those for individual incomes of the classes above and below \$3,000, corporation incomes and reports on payments of more than \$800, or the so-called "information at the source."

The extension of the time to April 1 applies to returns by corporations doing business on a fiscal year basis. Originally they were required to report within sixty days after the end of their fiscal year. This was extended to February 1 and later to March 1.

Fuel Holiday To Save Little Coal To-day

Exemptions to Closing Order Permit Many Factories to Open

Whether New Yorkers should enquire the date on to-day's calendar as Workless Monday or Exemption Day is a weighty problem on which local fuel administrators were struggling until a late hour last night. If the former, the day is expected to be one of fuel saving, whereas it will be but a day of annoyance to the city's workers if it comes under the latter classification.

Numerous exemptions to the original blanket workless Monday order are responsible for the present doubt as to the value of the day from the standpoint of fuel conservation. More than 200,000 garment workers will continue their duties under the exemptions granted by Dr. Harry A. Garfield to that trade, according to estimates made yesterday.

But that is not the most serious aspect of the case. Various other trades, notably the millinery trade, as represented by the Millinery Chamber of Commerce, are convinced that they should be exempted on the same humanitarian grounds that led to the exemption of the garment workers. Millinery cannot afford to lose a day's pay from their busy season, argue the milliners' representatives, any more than the garment workers. Moreover, they have no reason why a hat shouldn't be classified as a woman's garment and come under the Garfield exemption ruling without further discussion.

Fear Others May Open
Because of this difference of opinion it is feared that numerous business houses may continue operations to-day. The theory that they come under the last-mentioned exemption, or could not be punished for violating the closing edict on the theory that "there was a reasonable doubt."

Heated in order to permit the garment workers to continue business and, because of their activities, other businesses dependent upon this industry must close in order to feed materials into these houses.

As a result of this complicated situation it was a question whether much of to-day's Monday closing. Ordinarily it has been estimated that half of the coal being consumed in the city under family conditions—or 25,000 tons daily—might be saved. If this Monday conservation day, but with the numerous exemptions that have been issued for to-day, it is believed that less than one-tenth of that total, possibly a scant 3,000 tons, might be saved. If this estimate is correct, the heads of big industries that are losing small fortunes because of the enforced shut-down of their plants, are expected to demand a general suspension of the weekly closing plan.

Falls Short of Senate Plan
One of the essential differences between the plan announced to-night by Mr. Baker and that proposed by the Senate Military Committee in the Ministry of Munitions bill is that under the Senate committee plan the director of munitions would be a Cabinet officer, ranking equal to the Secretary of War, while under Baker's plan the rank would be as follows:

First, the Secretary of War; second, the chief of staff; third, the director of purchases (who is an assistant chief of staff); fourth, the surveyor general of supplies.

The War Plans Division is another which touches on a phase of the War Department's activities which has been much criticized.

"This or that broke down because no one planned to prevent it," was the constantly repeated cry of the Senators whose recent speech dwelt on the necessity of a war cabinet.

Chief of Staff's Power
The chief of staff under Mr. Baker's new plan is made to exercise "superiorizing and coordinating powers."

"I recall an article inserted in 'The Congressional Record' the other day by Senator Hitchcock," said Mr. Baker, to-night after hearing of Mr. Baker's reorganization plan. "One sentence of it went as follows: 'I turn and look back in despair at the other organizations and organizations with which Mr. Baker has diverted and baffled his pursuers ever since the war began.'"

The quotation is taken from William Hard's article on "Pursuing Mr. Baker," in "The New Republic."

[By The Associated Press]
WASHINGTON, Feb. 10.—A general order outlining the new organization of the War Department, and giving full powers in their respective fields to the assistants to the Chief of Staff at the head of the five divisions into which the staff has been formed, was made public to-night by Secretary Baker. Chiefs of the divisions heads are authorized to act for the Secretary of War and Chief of Staff in such matters.

The order emphasizes the authority of the Chief of Staff, who, with the War Council, is the immediate adviser of the Secretary in all questions relating to the military establishment.

"The planning of the army program in its entirety," says the order, "the constant development thereof in its larger aspects and the relation of this program to the General Staff and the entire army will be the duty of the Chief of Staff and the War Council."

The duties of the chief of staff will be taken over soon by Major General Peyton C. March, ordered home from France to succeed Major General Bidley, assistant chief of staff, who has been acting chief in the absence of General Bliss. For the present General Bliss will continue to hold the title of chief of staff while representing the United States in the Supreme War Council abroad, and General March will be designated acting chief.

(Text of Mr. Baker's statement on page 4.)

American Patrol Trapped; Five Killed; Four Captured

New Tuscania Lists on Page 2

Germans Shout "Kamerad!" as They Open Fire on Americans

[By The Associated Press]
WITH THE AMERICAN ARMIES IN FRANCE, Feb. 10.—The early reports of the encounter between the Americans and Germans Friday night in front of the American wire entanglements have been confirmed. The enemy patrol cried "Kamerad!" as they opened fire and continued to fight. Yells from the enemy as the American barrage fell verified the accuracy of the aim of the Americans.

Paker Orders General Staff Reorganized

All Military Activities Divided Into Five Main Departments

[Staff Correspondence]
WASHINGTON, Feb. 10.—Another "reorganization" of the War Department was outlined in a statement issued by Secretary of War Baker to-night. This time it is the General Staff which is organized, according to the terms of the statement, but quite apparently the whole method of doing business by the department is radically revised, with a view to meeting some of the criticisms which have been heaped on the department in the Senate and in the press.

The chief of staff is directed to divide the General Staff into five divisions, each of which will have definite functions. Most revolutionary is the proposal that civilians shall be attached to these divisions.

Perhaps the most direct bending to criticism—especially that which has voiced a desire for a Ministry of Munitions—is the proposal that either the War or Navy departments, but which shall as a separate executive department concentrate on obtaining the supplies which the war machine depends upon.

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One Wounded Man Crawls Back From Ambush in "No Man's Land"

Men Attacked Fight to Finish

One Artilleryman Is Killed, Five Wounded by Enemy's Shellfire Saturday Night

[By The Associated Press]
WITH THE AMERICAN ARMY IN FRANCE, Feb. 10.—One American artilleryman was killed and five artillerymen were wounded Saturday night by shellfire.

The Americans sprinkled the enemy trenches with shrapnel all during to-day. There was considerable patrol activity, but no further clashes were reported.

[By The Associated Press]
WITH THE AMERICAN ARMY IN FRANCE, Feb. 10.—Five American soldiers were killed, four captured and one was wounded when an American patrol was ambushed in No Man's Land last night by a superior force of Germans.

The trap of the Germans was laid in front of our wires. One survivor, who crawled back to the American lines with a bullet in his chest, is unable to talk.

One of the American patrols, consisting of fourteen men, went out to inspect the wire. The men were moving cautiously along when the leader heard suspicious noises ahead. The formation of the patrol was changed, when suddenly, according to the survivors, the men found themselves almost surrounded by large numbers of the enemy.

Cries "Kamerad," Hurls Bomb
A German cried "Kamerad" and then hurled a hand grenade. The American infantrymen opened fire with their rifles and pistols and hurled their grenades. The Germans followed suit, and also brought into action their automatics.

The fight lasted only about a minute and a half. The Germans all the while yelling "Kamerad!" They then retreated, taking with them four Americans and leaving behind four dead and two wounded. One of the unwounded men crawled to where a wounded comrade lay groaning and gave him water, while the other wounded soldier dragged himself through the wire.

Quickly a hail of machine gun and rifle bullets was directed against the retreating Germans. Meanwhile the wounded man, who was a sergeant, died in the arms of a private who was endeavoring to give him aid.

The men in the trenches and the survivors had a gleam of satisfaction when the shells from the American guns and the began hitting in a barrage. Cries and yells in German were mingled with the explosions. Then the barrage widened and there were further cries, proving that the enemy had scattered.

Another Patrol Goes Over Top
Another patrol quickly went over the top out into No Man's Land and found their five dead comrades and one uninjured survivor of the first patrol, who had remained beside the bodies and was ready to give battle if the enemy returned.

The greatest courage was exhibited by the entire patrol, every man of which fought hard until killed or the enemy had withdrawn.

Our artillery immediately laid a barrage around the ambushing Germans and some are believed to have been accounted for. The infantry accounted for others, as it is certain the attacking patrol fought to a finish, according to information trickling in from the front line.

Enemy Patrol Opened Fire
Our patrolling soldiers were walking in front of our wire entanglements when a big enemy patrol that had been divided into parties which took up concealed positions opened fire at close range. The night was clear and the forms of the Americans made the best possible targets for the hidden Germans. There is no doubt that the Americans battled gallantly until completely overpowered.

The artillery duel in our sector continued to-day. Scores of airplanes were out observing and making photographs. The men in the line were thrilled by a number of duels high in the sky over their heads.

An American general now commands the sector of the front recently taken over by our troops. When the Americans first entered the sector it was under the command of a French general commanding a certain large unit of the French army. Now we have control.

In turning the sector over to the American general, on February 5, the French commander issued a general order, in which he expressed complete satisfaction with our troops, and was

